

SUBMISSION ON INFORMAL TRADING

By

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A proposal towards at least a partial solution to the issue of trading areas.

- 1) There are many buildings within the CBD, particularly within the portfolio of the public sector, where retail shops do not exist at ground floor level.
- 2) Whilst very little, if no, legal informal trading exists in Marshallstown, south of Commissioner Street, OPH believes in the merits of the existence of informal trading.
- 3) OPH has recently acquired a building on the block bounded by Marshall, Von Brandis and Anderson streets, in which there is currently no ground floor retail component and where it is proposed that 23 informal trading kiosks will be created to a design that will complement the proposed uplifted environment. Images of its present form and its proposed form are annexed hereto for perusal.
- 4) OPH has been in consultation with the head of the relevant informal trading association, Brian Phaaloh, who, in turn, has had discussion with his members. We understand that this project has received their blessing.
- 5) It is proposed that consideration be given to the identification of the public sector buildings referred to in 1) above and that these can, similarly, be utilised as informal trading kiosks in a manner that enhances rather than detracts from the urban environment.

Suggestions regarding the duration of informal trading permits in relation to the transition of informal traders to the formal sector and the emergence of additional generations of informal trader.

- 1) It is submitted that the real value of the continued existence of informal trading lies in the opportunity for individuals without finance, or without access to finance, to gain a foothold in the commercial sphere (i.e. An entry level for entrepreneurs).
- 2) It is further submitted that the current group of traders will not be exhaustive and that, in the future, future school leavers etc. will wish to enjoy the same opportunity.
- 3) It would appear that there are already insufficient trading sites for all those wishing to trade and, therefore, there is little chance of opportunities for any future candidates.
- 4) Anecdotally, it would seem that there are a fair number of traders who have been operating for many years, who make a substantial income from their endeavours.
- 5) In order to accommodate a new intake of traders it would be essential that some of the previous traders move on. Ideally there should be a transition from informal trading to more formal trading in rented premises. However, it would be nigh impossible to establish which traders are earning sufficient income to enable them to do so.
- 6) It is proposed that a pragmatic approach to the situation might be that trading permits be issued for only a finite period of time (e.g. one year, eighteen months, two years etc. as may deemed appropriate after proper investigation and discussion). This would ensure that an entirely new generation of traders could enjoy these benefits.
- 7) This approach would seem to be equitable in that those traders who have achieved the necessary level of success can move into the formal sector with those who have not achieved such success, making way for the new generation.
- 8) If this is seen as an acceptable philosophy then this will ensure that informal trading is not merely survivalist but becomes fertile ground for subsequent generations of future entrepreneurs.

The relationship and interaction between formal employment and informal employment.

and

The relevance of the office component of the Johannesburg CBD and the impact of informal traders on its sustainability

Please refer to the proposal submitted separately by the Central Improvement District.



